



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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M/047/032

December 17, 1996

Thomas Bachtell
Buena Ventura Resources Corporation
215 South State, Suite 550
Salt Lake City, Utah 84111

Re: Approval of Proposed Form and Amount of Reclamation Surety, Buena Ventura Resources Corporation (BVRC), Asphalt Ridge Tar Sands Project, M/047/032, Uintah County, Utah

Dear Mr. Bachtell:

On December 11, 1996, the Board of Oil, Gas and Mining considered the proposed form and amount of reclamation surety for the BVRC Asphalt Ridge Tar Sands Project. On December 13, 1996, the formal Board Order was issued regarding this matter. The Board Order approves of the proposed form of surety and requires an adjustment to the proposed amount of surety. The amount of surety acceptable to the Board for this operation is \$138,701 (year 2001 dollars). The Order directs BVRC to provide a Wells Fargo Bank Certificate of Deposit in the amount of \$138,701 to the Division prior to commencing mining operations, but no later than December 31, 1997.

The Division will issue its final permit approval when we receive the actual surety, which will allow BVRC to begin mining operations under their approved plan.

Enclosed is a copy of the executive summary as presented to the Board and a revised reclamation estimate for the required surety amount. This revised estimate does not recognize the salvage value for tanks as stated in the Board Order.

Thank you for your assistance in completing this permitting action. If you have any questions in this regard please contact me or Tony Gallegos.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures: Executive Summary, Revised Reclamation Estimate
cc: Patrick O'Hara, AAG
Mary Ann Wright, DOGM
M47-32ap.let



RECLAMATION ESTIMATE

Buena Ventura Resources Corporation

Asphalt Ridge Tar Sands Mine

M/047/032

last revision 12/17/96

filename m47-32bo.wb2 page "ESTIMATE"

Uintah County

Prepared by Utah State Division of Oil, Gas & Mining

Details of Final Reclamation

-THIS ESTIMATE INCLUDES THE 12/11/96 BOARD HEARING CHANGES

-This estimate is a revision of page 1 of the estimate provided by BVRC

-This estimate omits the scrap value for storage tanks shown on page 2 of the BVRC estimate

-The revised total for demolition & removal of equipment is \$6,074 + \$16,441 = \$22,515

-The items in the BVRC estimate which have been changed are shaded in this estimate

-Refer to Board Order Cause No. M/047/032 for more details

-Proposed total disturbed area =

25.5 acres

Activity	Quantit	Units	\$/unit	\$	notes
Demolition & burial of concrete (Schedule 1)	1	sum	46,768	46,768	
Demolition/removal of processing equipment & tank	1	sum	22,515	22,515	
Grading visual topsoil berm (3.2 acres, 9 ft high)	46,464	CY	0.31	14,404	
Placing topsoil on overburden (8 inch depth)	27,425	CY	0.31	8,502	
Ripping haul roads	3.0	acre	228	684	
Placing soil on haul roads (1ft depth)	3.0	acre	305	915	
Mulching (1 ton/acre) & crimping/discing	25.5	acre	110	2,805	
Fertilizing (200 lb/acre)	25.5	acre	90	2,295	
Drill seeding (estimate 80% of area)	20.4	acre	180	3,672	
Broadcast seeding (estimate 20%)	5.1	acre	184	938	
General site cleanup & trash removal	25.5	acre	50	1,275	
Monitoring	3	year	600	1,800	
Mobilization	3	equip	1,000	3,000	
Reclamation supervision (est 6 days)	48	hours	30	1,440	
		Subtotal		111,013	
10% Contingency				11,101	
		Subtotal		\$122,114	
Escalate for 5 years at 2.58% per yr				16,587	
Total surety amount in yr 2001-\$				\$138,701	

Average cost per disturbed acre =

\$5,439